mechanism,

(b) if so, the details thereof including the areas where such funding could be resorted to, and

(c) the extent of private partnership involved therein?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) (a) Yes Sir

(b) The Government of India would provide viability gap funding to the extent of 20% of the project cost for eligible projects taken up under public-private partnership This funding facility would be available to the projects in roads, railways, seaports, airports, power, water supply, sewerage and solid waste disposal in urban areas and international convention centres.

(c) It is stipulated that private equity in the entity taking up the project under this facility should at least be 40%

Credit for self-employment

2133. SHRI ANAND SHARMA.
PROF. ALKA BALRAM KSHATRIYA
SHRIMATI PREMA CARIAPPA

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India, in consultation with Indian Banks Association, has devised a mechanism to provide credit for self-employment to the people below poverty line e g. self-employed technicians, artisans, mechanics, semi-skilled labours, etc.; and

(b) if so, what are the broad features of the scheme, various criteria for coverage of borrowers and the time-frame for its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM). (a) and (b) According to the information furnished by Reserve Bank of India (RBI), three schemes, namely, the Laghu Udhyami Credit Card Scheme (LUCC), Artisan Credit Card Scheme (ACC) and Swarozgar Credit Card Scheme (SCC) are being implemented to provide credit to self-employed technicians,, artisans, mechanics, semi-skilled labours etc. the broad features of which are indicated in the Statement (*See* below).

Statement

The broad features of Artisans Credit Card (ACC), Laghu Udhyami Credit Card (LUCC) and Swarojgar Credit Card (SCC) Schemes

Main Features	ACC	LUCC	SCC
Agency which issued guidelines and the date of issue	Indian Banks Association (IBA) in the year 2002	IBA on November 12 2001	Reserve Bank of India (RBI) on September 26, 2003 to Commercial Banks National Bank for Agriculture and Rural Development (NABARD) on September 22, 2003 to Regional Rural Banks (RRBs) and Cooperative Banks
Participants-Banks	State Level Bankers' Committee (SLBC) banks	Public Sector Banks	Commercial Banks,RRBs, Cooperative Banks
Applicable to	Artisans registered with the Development Commissioners (Handicrafts) involved in manufacturing/production process & Self Help Groups (SHGs)	Small businessmen, retail traders, artisans, professionals, self-employed persons, small industrial units	Artisans, handloom weavers, fishermen, self-employed persons, rickshaw owners, micro-entrepreveurs
Finance provided	Revolving cash credit-any number of drawals and repayments within the limit	Finance provided to existing customers having satisfactory track record Photo card indicating sanctioned limit and validity period of credit Overdraft facility also available	Composite loan, term loan and revolving cash credit

Main Features	ACC	LUCC	SCC
Quantum of limit	Rs.2 lakh provided the customers have satisfactory dealings with the bank	Rs.2 lakh provided the customers have satisfactory dealings with the bank for 3 years	Rs.25,000/- Banks have been granted discretion to sanction higher amounts on case-to-case basis
Validity	3 years, renewed annually	3 years	5 years, renewed annually The loan to be repaid within 12 months from the date of withdrawal. No withdrawals allowed if loan is outstanding for more than 12 months
Issue of cards	No fees to be charged for review/renewal of card. The banks have to maintain ledger accounts Withdrawal slips/cheques to be accompanied by Pass Book.	Photo cards should indicate sanctioned limits and validity period of credit facility. Cheque books and overdraft facilities also provided	Laminated cards and Pass Books to be provided The Pass Book to contain repayment schedule of the term loan. Pass Books issued to SHGs who are liable jointly and severally for repayment Fees not exceeding Rs.50/-.
Insurance	Loan insured Premium-sharing between Government and beneficiary in the ratio 60:40 or as agreed between Development Commissioner and Insurance Company.	Insurance cover upto Rs.25,000/-	Beneficiaries automatically covered under group insurance scheme Premium shared between bank and borrower. Each bank can negotiate the terms of insurance with a company of its choice on national or regional basis

Security, margin, rate of interest, prudential norms	As per RBI norms	Rate of interest at bank's PLR Primary security-hypothecation of stock-in- trade, receivables, machinery, office equipments Collateral may be waived at the discretion of the bank in case of excellent track record	As per RBI norms
Progress monitoring	Visit of field staff to the units and review of operations in the account	Quarterly/half yearly inspection	At Block Level in Block Level Bankers' Committee (BLBC) meetings At District Level in District Coordination Committee (DCC)/District Level Review Committee (DLRC) meetings At State Level in SLBC meetings